



JAMES A. NOYES, Director

# COUNTY OF LOS ANGELES

## DEPARTMENT OF PUBLIC WORKS

*"Enriching Lives"*

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IN REPLY PLEASE

REFER TO FILE: **WR-4**

December 24, 2003

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012-2756

Dear Supervisors:

**WALNUT CREEK  
APPROVE AMENDMENT TO AGREEMENT  
TO SPREAD WELL DEVELOPMENT WATER  
SUPERVISORIAL DISTRICT 1  
3 VOTES**

**IT IS RECOMMENDED THAT YOUR BOARD ACTING AS THE GOVERNING BODY  
OF THE LOS ANGELES COUNTY FLOOD CONTROL DISTRICT:**

Authorize the Director of Public Works to execute an Amendment to the Agreement with the Valley County Water District (VCWD) and Aerojet General Corporation, Azusa Land Reclamation Company, Inc., Fairchild Holding Corporation, Hartwell Corporation, Huffy Corporation, Oil and Solvent Process Company, Reichhold, Inc., and Wynn Oil Company (collectively known as the "Parties"), which provides for the acceptance of well development water for groundwater recharge from an additional third well located in the City of Baldwin Park.

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

We are recommending that your Board authorize the Director of Public Works to execute an Amendment to the Agreement with the VCWD and the Parties, which provides for the acceptance of well development water for groundwater recharge from an additional third well within Walnut Creek located in the City of Baldwin Park.

To remediate groundwater contamination in the Baldwin Park area, the U.S. Environmental Protection Agency (EPA) has ordered the Parties, who are responsible for the contamination, to fund the construction of facilities to extract and treat the contaminated groundwater. The VCWD, as part of its Subarea 1 Arrow/Lante Project, will construct and operate two extraction wells and a treatment plant. The treatment plant will treat the contaminated groundwater for use in the municipal water supply.

However, the two wells are to be constructed prior to construction of the treatment plant. Therefore, the contaminated groundwater extracted during well development is to be discharged into Walnut Creek and allowed to percolate back into the same contaminated portion of the groundwater basin. The EPA has found this to be the most reasonable and cost-effective approach for disposal of the well development water.

On March 18, 2003, your Board authorized the Director of Public Works to execute the original Agreement. This Agreement allowed the discharge of well development water from the two wells discussed above. VCWD will be adding a third well to this project. The Amendment provides for the discharge of well development water from this third well.

### **Implementation of Strategic Plan Goals**

This action meets the County Strategic Plan Goal of Service Excellence by providing a beneficial method for disposal of the well development water, which will allow the wells to be completed prior to construction of the treatment plant. With the wells already in place at the time the treatment plant is completed, the entire project will be able to begin extracting and treating the contaminated groundwater much earlier, thereby halting further migration of the groundwater contamination.

### **FISCAL IMPACT/FINANCING**

There will be no impact to the County's General Fund.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

The enclosed Amendment will be approved as to form by County Counsel prior to signature by the Director of Public Works.

### **ENVIRONMENTAL DOCUMENTATION**

The EPA is implementing this project under the authority of the Comprehensive Environmental Response, Compensation, and Liability Act.

The VCWD is the lead agency for this project and has previously prepared and adopted a Negative Declaration on February 25, 2002, for this project in compliance with California Environmental Quality Act (CEQA). We have independently reviewed the Negative Declaration previously and have determined that it adequately addresses the environmental impacts of the project. On March 18, 2003, your Board adopted a finding that the environmental impacts are adequately described in accordance with CEQA.

### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

There will be no negative impact to current County services or projects as a result of this project. The Parties are responsible for assuring that the well development water complies with all relevant water quality regulations and will insure and indemnify the County against future negative impacts, if any, from the use of well development water for recharge.

### **CONCLUSION**

Please return one approved copy of this letter to Public Works.

Respectfully submitted,

JAMES A. NOYES  
Director of Public Works

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Enc.

cc: Chief Administrative Office  
County Counsel

FINAL

## FIRST AMENDMENT TO AGREEMENT

This First Amendment to Agreement ("Amendment") is entered into and executed as of the \_\_\_ day of December 2003 by and between the Los Angeles County Flood Control District (the "District") on the one hand and on the other hand: (i) the Valley County Water District, a county water district organized pursuant to California Water Code Section 30000, *et. seq.* ("VCWD") and (ii) the following private parties (collectively, the "CRs"): Aerojet-General Corporation, Azusa Land Reclamation Co, Inc., Fairchild Holding Corporation, Hartwell Corporation, Huff Corporation, Oil & Solvent Process Company, Reichhold, Inc., and Wynn Oil Company. The District, VCWD, and the CRs are collectively referred to as the "Parties" and individually as a "Party."

### RECITALS

**WHEREAS**, the Parties entered into an agreement executed as of May 15, 2003 with respect to the discharge of certain waters into Walnut Creek ("the Agreement"), a true and correct copy of which is attached hereto as Exhibit "A";

**WHEREAS**, the Parties agree to modify the eleventh "Whereas" clause in the Agreement for the sole purpose of redefining the term "Well Development Water" to include as part of the Agreement an additional approximate amount of one million gallons of untreated water from a third extraction well that VCWD will develop, own and operate to convey groundwater to VCWD's Treatment Facility and in no other respect;

**NOW, THEREFORE**, in consideration of the mutual covenants of the Parties contained in the Agreement and this Amendment, the Parties hereby agree as follows:

1. The eleventh WHEREAS clause in the Agreement (p.2) is hereby deleted in its entirety and replaced to read as follows:

**"WHEREAS**, VCWD will construct, own and operate three extraction wells to convey groundwater to VCWD's Treatment Facility; two of these three extraction wells will be developed prior to the installation of permanent pumping equipment and such well development is expected to produce approximately 30 million gallons of untreated water; the third well is an existing production well but will be fitted with new pumping equipment and will need to be further developed, producing an additional amount of approximately 1 million gallons of untreated water (the approximate 31 million gallons of untreated water, collectively, the "Well Development Water")."

2. In all other respects the Agreement and the respective rights and obligations of the Parties remain as previously written and in full force and effect.

**IN WITNESS WHEREOF**, the Parties hereto have cause this First Amendment to Agreement to be executed by and through their respective and duly authorized representatives on the day and year above first written.

COUNTY OF LOS ANGELES

By \_\_\_\_\_  
James A. Noyes  
Director, Department of Public Works

APPROVED AS TO FORM:

LLOYD W. PELLMAN  
County Counsel

By \_\_\_\_\_  
Frederick W. Pfaeffle  
Senior Deputy County Counsel

VALLEY COUNTY WATER DISTRICT

By \_\_\_\_\_

APPROVED AS TO FORM:

By \_\_\_\_\_  
Counsel for Valley County Water Company

Aerojet-General Corporation

By: \_\_\_\_\_

Its: \_\_\_\_\_

Azusa Land Reclamation Co., Inc.

By: \_\_\_\_\_

Its: \_\_\_\_\_

Fairchild Holding Corp.

By: \_\_\_\_\_

Its: \_\_\_\_\_

Hartwell Corporation

By: \_\_\_\_\_

Its: \_\_\_\_\_

Huffy Corporation

By: \_\_\_\_\_

Its: \_\_\_\_\_

Oil & Solvent Process Company

By: \_\_\_\_\_

Its: \_\_\_\_\_

Reichhold, Inc.

By: \_\_\_\_\_

Its: \_\_\_\_\_

Wynn Oil Company

By: \_\_\_\_\_

Its: \_\_\_\_\_